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R. MICHAEL SENKOWSKI (202) 429-7249 April 21, 1998

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Magalie Roman Salas Secretary Federal Communications Commission 1919 M St., N.W. Room 222 Washington, D.C. 20554

APR 2 1 1998

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Re: Ex Parte Notice

Applications of WorldCom, Inc. and MCI Communications Corporation for Transfer of Control of MCI to WorldCom (CC Docket No. 97-211)

Dear Ms. Salas:

Enclosed for inclusion in the above-referenced docket is a copy of a letter from counsel for GTE Service Corporation, Its Affiliated Telecommunications Companies, and GTE Internetworking to Michelle Carey (Common Carrier Bureau) regarding access to confidential documents in the proposed merger between WorldCom, Inc. and MCI Communications Corporation.

In accordance with Section 1.1206(b) of the Commission rules, 47 C.F.R. § 1.1206(b), an original and one copy of this notice are being submitted to the Secretary.

Sincerely,

R.Mill Soukouske

R. Michael Senkowski

Enclosure

cc: Michelle Carey, Common Carrier Bureau

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R. MICHAEL SENKOWSKI

April 21, 1998

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Michelle Carey Common Carrier Bureau Federal Communications Commission 1919 M St., N.W. Room 544 Washington, D.C. 20554

Re: Applications of WorldCom, Inc. and MCI Communications Corporation for Transfer of Control of MCI to WorldCom (CC Docket No. 97-211)

Dear Ms. Carey:

On April 14, 1998, WorldCom, Inc. ("WorldCom") and MCI Communications Corporation ("MCI") submitted <u>ex parte</u> filings in which they agree "to permit full discussions between representatives of the Department [of Justice] and the Federal Communications Commission [] with respect to the protected material and with respect to the status of the Department's investigation" concerning their proposed merger. The Applicants, however, expressly deny "the Commission access to the actual documents [WorldCom and MCI have] furnished, filed or produced pursuant to the Hart-Scott-Rodino Act, the Antitrust Civil Process Act, related statutes, the Department's Civil Investigation Demand dated October 31, 1997, and February 12, 1998, or similar information requests" In addition, WorldCom and MCI condition the FCC's right to talk to DOJ upon an understanding that such discussions will be kept secret from the public and interested parties.

Simply stated, WorldCom and MCI would impose a contrived "DON'T LOOK/DON'T TELL" policy upon the Commission and its staff. Not surprisingly, there is no explanation why the Commission as the agency entrusted with the responsibility for an independent assessment of the public interest and competitive effects of the merger must wear applicant-imposed blinders. Nor is there any sound basis for the Commission to accept such "favors" from the Applicants as sufficient in this case. The Commission obviously cannot discharge its responsibilities without direct access to the underlying facts.

Michelle Carey April 21, 1998 Page 2

Similarly, there is no sound basis for an applicant-imposed gag order against disclosing substantial and material factual evidence to interested parties under appropriately structured protective procedures. This is not a grand jury investigation bound by secrecy, but rather a public proceeding conducted under the Administrative Procedure Act ("APA") in which members of the public have rights to inspect the record. In sum, informed decision-making and informed public comment cannot occur under the ground rules that the Applicants would seek to impose upon the Commission.

GTE, for its part, recognizes that the discussions with DOJ and documents in the possession of the Department contain competitively sensitive information. Nonetheless, this is no reason for the Commission to endure continued stonewalling and withholding of information by WorldCom and MCI. There is ample precedent for requiring the Applicants to provide copies of their DOJ filings to the Commission subject to public inspection under a carefully crafted protective order. (See Attachment)

Although almost six months have gone by since WorldCom and MCI filed their amended transfer applications, they still have not provided the type and scope of information that is necessary to satisfy the *Bell Atlantic/NYNEX* analytical framework. Presumably, the documents submitted to the Department will go a long way toward filling the gaps intentionally left open by the Applicants. GTE respectfully submits that the Commission cannot proceed further in analyzing the largest telecommunications merger in history – and, until recently, the largest merger ever in any industry – without obtaining, analyzing, and permitting review and comment on the documents and information that WorldCom and MCI submitted to the Department.

Please feel free to call me if you have any questions or would like additional information.

Respectfully submitted,

RMil Senkouski

R. Michael Senkowski

FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

AMERICAN TELEPHONE AND TELEGRAPH COMPANY and
CRAIG O. MCCAW

APPLICATIONS FOR CONSENT TO TRANSFER OF CONTROL OF
RADIO LICENSES

File No. ENF-93-44

PROTECTIVE ORDER

Adopted: May 13, 1994

By the Chief, Formal Complaints and Investigations Branch, Enforcement Division, Common Carrier Bureau:

- 1. On May 13, 1994, the Bureau directed the applicants in the above-captioned proceeding, American Telephone and Telegraph Company and Craig O. McCaw, to make available for review and inspection by the staff and counsel for the parties, documents and information filed by the applicants with the Department of Justice ("DOJ") and the Federal Trade Commission ("FTC") pursuant to the pre-merger review process under the Hart-Scott-Rodino Antitrust Improvements Act. These materials may represent or contain confidential or proprietary information. To insure that documents and materials considered by the applicants to be confidential and proprietary are afforded protection, the Bureau hereby enters this Protective Order:
- 2. <u>Non-disclosure of Stamped Confidential Documents</u>. Except with the prior written consent of the applicants or other person originally designating a document to be stamped as a confidential document, or as hereinafter provided under this order, no stamped confidential document may be disclosed to any person.

A "stamped confidential document" means any document which bears the legend (or which shall otherwise have had the legend recorded upon it in a way that brings its attention to a reasonable examiner) "CONFIDENTIAL-SUBJECT TO PROTECTIVE ORDER IN File No. ENF-93-44, before the Federal Communications Commission" to signify that it contains information believed to be subject to protection under the Commission's rules. For purposes of this order, the term "document" means all written, recorded, or graphic material, whether produced or created by a party or another person, whether produced pursuant to the Commission's rules, subpoena, by agreement, or otherwise. Documents that quote. summarize, or contain materials entitled to protection may be accorded status as a stamped confidential document, but, to the extent feasible, shall be prepared in such a manner that the confidential information is bound separately from that not entitled to protection.

Letter from Gregory A. Weiss to Francine J. Berry (May 13, 1994).

- 3. <u>Permissible Disclosure</u>. Notwithstanding paragraph 2, stamped confidential documents may be disclosed to counsel of record for the parties in this proceeding, including in-house counsel who are actively engaged in the conduct of this proceeding; to the partners, associates, secretaries, paralegal assistants, and employees of such an attorney to the extent reasonably necessary to render professional services in this proceeding; to persons with prior knowledge of the documents or the confidential information contained therein, and their agents; and to Commission officials involved in this proceeding. Subject to the provisions of subparagraph (c) below, such documents may also be disclosed:
 - (a) to any person designated by the Commission in the interest of justice, upon such terms as the Commission may deem proper; and
 - (b) in the event the Commission orders that depositions may be taken, to persons noticed for depositions or designated as trial witnesses to the extent reasonably necessary in preparing to testify to outside consultants or experts retained for the purpose of assisting counsel in the proceeding; to employees of parties involved solely in one or more aspects or organizing, filing, coding, converting, storing, or retrieving data or designing programs for handling data connected with this proceeding, including the performance of such duties in relation to a computerized litigation support system; and to employees of third-party contractors performing one or more of these functions; provided, however, that in all such cases the individual to whom disclosure is to be made has signed a form containing: (1) a recital that the signatory has read and understands this order; and (2) a recital that the signatory understands that unauthorized disclosures of the stamped confidential documents is prohibited.
 - (c) Before disclosing a stamped confidential document to any person listed in subparagraph (a) or (b) who is a competitor (or an employee of a competitor) of the party that so designated the document, the party wishing to make such disclosure shall give at least ten days' advance notice in writing to the counsel who designated such information as confidential, stating the names and addresses of the person(s) to who the disclosure will be made, identifying with particularity the documents to be disclosed, and stating the purposes of such disclosure. If, within the ten-day period, a motion is filed objecting to the proposed disclosure, disclosure is not permissible until the Commission has denied such motion.
- 4. <u>Declassification</u>. A party (or aggriæved entity permitted by the Commission to intervers for such purpose) may apply to the Commission for a ruling that a document (or category of documents) stamped as confidential is not entitled to such status and protection. Applicants or other person that designated the document as confidential shall be given notice of the application and an opportunity to respond. To maintain confidential status, the proponent of confidentiality must show by a preponderance of the evidence that there is good cause for the document to have such protection.

Disclosure may not be made to counsel involved in any related proceeding between the parties pending before the Commission or in courts, except upon specific Commission approval.

- 5. Confidential Information in Depositions. In the event the Commission orders that depositions may be taken in this proceeding:
 - (a) A deponent may during the deposition be shown, and examined about, stamped confidential documents if the deponent already knows the confidential information contained therein or if the provisions of paragraph 3(c) above are complied with. Deponents shall not retain or copy portions of the transcripts of their depositions that contain confidential information not provided by them or the entities they represent unless they sign the form prescribed in paragraph 3(b) above. A deponent who is not a party or a representative of a party shall be furnished a copy of this order before being examined about, or asked to produce, potentially confidential documents.
 - (b) Parties (and deponents) may, within fifteen (15) days after receiving a deposition transcript, designate pages of the transcript (and exhibits thereto) as confidential. Confidential information within the deposition transcript may be designated by underlining the portions of the pages that are confidential and marking such pages with the following legend: "Confidential-subject to protection pursuant to Commission Order." Until expiration of the 15-day period, the entire deposition will be treated as subject to protection against disclosure under this order. If no party or deponent timely designates confidential information in a deposition, then none of the transcript or its exhibits will be treated as confidential; if a timely designation is made, the confidential portions and exhibits shall be filed under seal separate from the portions and exhibits not so marked.
- 6. <u>Confidential Information Filed in the Record</u>. Subject to the Federal Rules of Evidence, stamped confidential documents and other confidential information may be offered in the record made by the parties and submitted to the Commission in this proceeding, provided that such confidential information is furnished under seal. The Commission will then determine whether the proffered evidence should continue to be treated as confidential information.
- 7. Filing. If confidential documents are submitted to the Commission in accordance with paragraph 6, the materials shall be filed under seal and shall remain sealed while in the Secretary's office or such other place as the Commission may designate so long as they retain their status as stamped confidential documents.
- 8. Subpoens by Courts or Other Agencies. If a court or another administrative agency subpoenss or orders production of stamped confidential documents which a party has obtained under terms of this order, such party shall promptly notify the party or other person who designated the document as confidential of the pendency of such subpoens or order.
- 9. Client Consultation. Nothing in this order shall prevent or otherwise restrict counsel from rendering advice to their clients and, in the course thereof, relying generally on examination of stamped confidential documents; provided, however, that in rendering such advice and otherwise communicating with such client, counsel shall not make specific disclosure of any item so designated except pursuant to the procedures of paragraph 3(b) and (c) above.

- 10. <u>Prohibited Copying</u>. If a document contains information so sensitive that it should not be copied by anyone, it shall bear the additional legend "Copying Prohibited." Application for relief from this restriction against copying may be made to the Commission, with notice to counsel so designating the document.
- 11. <u>Use</u>. Persons obtaining access to stamped confidential documents under this order shall use the information only for preparation and the conduct of this proceeding and any subsequent judicial proceeding, and shall not use such information for any other purpose, including business, governmental, commercial, or other administrative or judicial proceedings.
- 12. Non-Termination. The provisions of this order shall not terminate at the conclusion of this proceeding. Within 120 days after final conclusion of all aspects of this proceeding, stamped confidential documents and all copies of same (other than exhibits of record, if any) shall be returned to the party or person which produced such documents, or, at the option of the producer (if it retains at least one copy of the same), destroyed. All counsel of record shall make certification of compliance herewith and shall deliver the same to counsel for the party who produced the documents not more than 150 days after final termination of this proceeding.
- 13. Modification Permitted. Nothing in this order shall prevent any party or other person from seeking modification of this order.
- 14. Responsibility of Attorneys. The attorneys of record are responsible for employing reasonable measures to control, consistent with this order, duplication of, access to, and distribution of copies of stamped confidential documents. Parties shall not duplicate any stamped confidential document except working copies and for filing at the Commission under seal.
- 15. This Order is issued pursuant to Sections 4(i), 310(d), and 702(d) of the Communications Act of 1934, as amended, 47 U.S.C. \$\$ 154(i), 310(d), 602(d), and authority delegated under Section 0.291 of the Commission's Rules, 47 C.F.R. \$ 0.291, and is effective upon its adoption.

FEDERAL COMMUNICATIONS COMMISSION

Thomas D. Wyatt Chief, Formal Complaints and Investigations Branch

Common Carrier Bureau